## AMENDED IN ASSEMBLY JULY 15, 2004 AMENDED IN ASSEMBLY JUNE 16, 2004 AMENDED IN SENATE APRIL 28, 2004

## **SENATE BILL**

No. 1152

## **Introduced by Senator Scott**

January 27, 2004

An act to amend Sections 12071 and 12316 of, and to add Section 12326 to, the Penal Code, relating to ammunition.

LEGISLATIVE COUNSEL'S DIGEST

SB 1152, as amended, Scott. Ammunition.

Under existing law, it is a misdemeanor to sell ammunition to a person knowing that the person is under 18 years of age, but reliance upon evidence of identity is a defense.

This bill would instead provide that it is a misdemeanor to sell ammunition to a person under 18 years of age, but would provide that reasonable reliance upon evidence of identity would be a defense.

By expanding the definition of a crime, the bill would impose a state-mandated local program.

Existing law generally regulates the sale of ammunition.

The bill would also require any person engaged in the retail sale of ammunition to record the date, the name, address, and date of birth of the transferee, a thumbprint, and other specified information concerning the transaction, and to make the information available to peace officers. A violation of these provisions would be a misdemeanor.

By creating a new crime, the bill would impose a state-mandated local program.

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This bill would conform existing cross-references to the Federal Code of Regulations in certain provisions relating to the regulation of firearms to reflect the recent renumbering of certain sections of those federal regulations.

This bill would also incorporate additional changes in Section 12071 of the Penal Code proposed by SB 1140, to become operative only if SB 1140 and this bill are both enacted and become effective on or before January 1, 2005, and this bill is enacted last.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:* 

- 1 SECTION 1. Section 12071 of the Penal Code is amended to 2 read:
- 3 12071. (a) (1) As used in this chapter, the term "licensee,"
- "person licensed pursuant to Section 12071," or "dealer" means 4 5 a person who has all of the following:
- (A) A valid federal firearms license. 6
- (B) Any regulatory or business license, or licenses, required by 7 local government. 8
- 9 (C) A valid seller's permit issued by the State Board of 10 Equalization.
- (D) A certificate of eligibility issued by the Department of 11 12 Justice pursuant to paragraph (4).
  - (E) A license issued in the format prescribed by paragraph (6).
- 14 (F) Is among those recorded in the centralized list specified in 15 subdivision (e).
  - (2) The duly constituted licensing authority of a city, county, or a city and county shall accept applications for, and may grant
- 17 licenses permitting, licensees to sell firearms at retail within the 18
- city, county, or city and county. The duly constituted licensing 19
- authority shall inform applicants who are denied licenses of the
- reasons for the denial in writing.

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(3) No license shall be granted to any applicant who fails to provide a copy of his or her valid federal firearms license, valid seller's permit issued by the State Board of Equalization, and the certificate of eligibility described in paragraph (4).

- (4) A person may request a certificate of eligibility from the Department of Justice and the Department of Justice shall issue a certificate to an applicant if the department's records indicate that the applicant is not a person who is prohibited from possessing firearms.
- (5) The department shall adopt regulations to administer the certificate of eligibility program and shall recover the full costs of administering the program by imposing fees assessed to applicants who apply for those certificates.
- (6) A license granted by the duly constituted licensing authority of any city, county, or city and county, shall be valid for not more than one year from the date of issuance and shall be in one of the following forms:
  - (A) In the form prescribed by the Attorney General.
- (B) A regulatory or business license that states on its face "Valid for Retail Sales of Firearms" and is endorsed by the signature of the issuing authority.
- (C) A letter from the duly constituted licensing authority having primary jurisdiction for the applicant's intended business location stating that the jurisdiction does not require any form of regulatory or business license or does not otherwise restrict or regulate the sale of firearms.
- (7) Local licensing authorities may assess fees to recover their full costs of processing applications for licenses.
- (b) A license is subject to forfeiture for a breach of any of the following prohibitions and requirements:
- (1) (A) Except as provided in subparagraphs (B) and (C), the business shall be conducted only in the buildings designated in the license.
- (B) A person licensed pursuant to subdivision (a) may take possession of firearms and commence preparation of registers for the sale, delivery, or transfer of firearms at gun shows or events, as defined in Section 178.100 478.100 of Title 27 of the Code of Federal Regulations, or its successor, if the gun show or event is not conducted from any motorized or towed vehicle. A person conducting business pursuant to this subparagraph shall be entitled

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to conduct business as authorized herein at any gun show or event in the state without regard to the jurisdiction within this state that issued the license pursuant to subdivision (a), provided the person complies with (i) all applicable laws, including, but not limited to, the waiting period specified in subparagraph (A) of paragraph (3), and (ii) all applicable local laws, regulations, and fees, if any.

A person conducting business pursuant to this subparagraph shall publicly display his or her license issued pursuant to subdivision (a), or a facsimile thereof, at any gun show or event, as specified in this subparagraph.

(C) A person licensed pursuant to subdivision (a) may engage in the sale and transfer of firearms other than pistols, revolvers, or other firearms capable of being concealed upon the person handguns, at events specified in subdivision (g) of Section 12078, subject to the prohibitions and restrictions contained in that subdivision.

A person licensed pursuant to subdivision (a) also may accept delivery of firearms other than pistols, revolvers, or other firearms eapable of being concealed upon the person handguns, outside the building designated in the license, provided the firearm is being donated for the purpose of sale or transfer at an auction or similar event specified in subdivision (g) of Section 12078.

- (D) The firearm may be delivered to the purchaser, transferee, or person being loaned the firearm at one of the following places:
  - (i) The building designated in the license.
  - (ii) The places specified in subparagraph (B) or (C).
- (iii) The place of residence of, the fixed place of business of, or on private property owned or lawfully possessed by, the purchaser, transferee, or person being loaned the firearm.
- (2) The license or a copy thereof, certified by the issuing authority, shall be displayed on the premises where it can easily be seen.
  - (3) No firearm shall be delivered:
- (A) Within 10 days of the application to purchase, or, after notice by the department pursuant to subdivision (d) of Section 12076, within 10 days of the submission to the department of any correction to the application, or within 10 days of the submission to the department of any fee required pursuant to subdivision (e) of Section 12076, whichever is later.

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(B) Unless unloaded and securely wrapped or unloaded and in a locked container.

- (C) Unless the purchaser, transferee, or person being loaned the firearm presents clear evidence of his or her identity and age to the dealer
- (D) Whenever the dealer is notified by the Department of Justice that the person is in a prohibited class described in Section 12021 or 12021.1 of this code or Section 8100 or 8103 of the Welfare and Institutions Code. The dealer shall make available to the person in the prohibited class a prohibited notice and transfer form, provided by the department, stating that the person is prohibited from owning or possessing a firearm, and that the person may obtain from the department the reason for the prohibition.
- (4) No pistol, revolver, or other firearm or imitation thereof capable of being concealed upon the person handgun or imitation handgun, or placard advertising the sale or other transfer thereof, shall be displayed in any part of the premises where it can readily be seen from the outside.
- (5) The licensee shall agree to and shall act properly and promptly in processing firearms transactions pursuant to Section 12082.
- (6) The licensee shall comply with Sections 12073, 12076, and 12077, subdivisions (a) and (b) and paragraph (1) of subdivision (f) of Section 12072, subdivision (a) of Section 12316, and Section 12326.
- (7) The licensee shall post conspicuously within the licensed premises the following warnings in block letters not less than one inch in height:
- 30 (A) "IF YOU KEEP A LOADED FIREARM WITHIN ANY
  31 PREMISES UNDER YOUR CUSTODY OR CONTROL, AND
  32 A PERSON UNDER 18 YEARS OF AGE OBTAINS IT AND
  33 USES IT, RESULTING IN INJURY OR DEATH, OR CARRIES
  34 IT TO A PUBLIC PLACE, YOU MAY BE GUILTY OF A
  35 MISDEMEANOR OR A FELONY UNLESS YOU STORED
  36 THE FIREARM IN A LOCKED CONTAINER OR LOCKED
  37 THE FIREARM WITH A LOCKING DEVICE, TO KEEP IT
  38 FROM TEMPORARILY FUNCTIONING."
- 39 (B) "IF YOU KEEP A PISTOL, REVOLVER, OR OTHER 40 FIREARM CAPABLE OF BEING CONCEALED UPON THE

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1 PERSON, HANDGUN WITHIN ANY PREMISES UNDER

- 2 YOUR CUSTODY OR CONTROL, AND A PERSON UNDER
- 3 18 YEARS OF AGE GAINS ACCESS TO THE FIREARM,
- 4 AND CARRIES IT OFF-PREMISES, YOU MAY BE GUILTY
- 5 OF A MISDEMEANOR, UNLESS YOU STORED THE
- 6 FIREARM IN A LOCKED CONTAINER, OR LOCKED THE
- 7 FIREARM WITH A LOCKING DEVICE, TO KEEP IT FROM
- 8 TEMPORARILY FUNCTIONING."
- 9 (C) "IF YOU KEEP ANY FIREARM WITHIN ANY
- 10 PREMISES UNDER YOUR CUSTODY OR CONTROL, AND
   11 A PERSON UNDER 18 YEARS OF AGE GAINS ACCESS TO
  - A THE EIDEADM AND CARRIED IT OFF DREMICED TO A
- 12 THE FIREARM, AND CARRIES IT OFF-PREMISES TO A
- 13 SCHOOL OR SCHOOL-SPONSORED EVENT, YOU MAY BE
- 14 GUILTY OF A MISDEMEANOR, INCLUDING A FINE OF UP
- 15 TO FIVE THOUSAND DOLLARS (\$5,000), UNLESS YOU
- 16 STORED THE FIREARM IN A LOCKED CONTAINER, OR
- 17 LOCKED THE FIREARM WITH A LOCKING DEVICE."
- 18 (D) "DISCHARGING FIREARMS IN POORLY
- 19 VENTILATED AREAS, CLEANING FIREARMS, OR
- 20 HANDLING AMMUNITION MAY RESULT IN EXPOSURE
- 21 TO LEAD, A SUBSTANCE KNOWN TO CAUSE BIRTH
- 22 DEFECTS, REPRODUCTIVE HARM, AND OTHER SERIOUS
- 23 PHYSICAL INJURY. HAVE ADEQUATE VENTILATION AT
- 24 ALL TIMES. WASH HANDS THOROUGHLY AFTER
- 25 EXPOSURE."
- 26 (E) "FEDERAL REGULATIONS PROVIDE THAT IF YOU
- 27 DO NOT TAKE PHYSICAL POSSESSION OF THE FIREARM
- 28 THAT YOU ARE ACQUIRING OWNERSHIP OF WITHIN 30
- 29 DAYS AFTER YOU COMPLETE THE INITIAL
- 30 BACKGROUND CHECK PAPERWORK, THEN YOU HAVE
- 31 TO GO THROUGH THE BACKGROUND CHECK PROCESS
- 32 A SECOND TIME IN ORDER TO TAKE PHYSICAL
- 33 POSSESSION OF THAT FIREARM."
- 34 (F) "NO PERSON SHALL MAKE AN APPLICATION TO
- 35 PURCHASE MORE THAN ONE PISTOL, REVOLVER, OR
- 36 OTHER FIREARM CAPABLE OF BEING CONCEALED
- 37 UPON THE PERSON HANDGUN WITHIN ANY 30-DAY
- 38 PERIOD AND NO DELIVERY SHALL BE MADE TO ANY
- 39 PERSON WHO HAS MADE AN APPLICATION TO
- 40 PURCHASE MORE THAN ONE PISTOL, REVOLVER, OR

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OTHER FIREARM CAPABLE OF BEING CONCEALED UPON THE PERSON HANDGUN WITHIN ANY 30-DAY PERIOD."

- (8) (A) Commencing April 1, 1994, and until January 1, 2003, no-pistol, revolver, or other firearm capable of being concealed upon the person handgun shall be delivered unless the purchaser, transferee, or person being loaned the firearm presents to the dealer a basic firearms safety certificate.
- (B) Commencing January 1, 2003, no dealer may deliver a handgun unless the person receiving the handgun presents to the dealer a valid handgun safety certificate. The firearms dealer shall retain a photocopy of the handgun safety certificate as proof of compliance with this requirement.
- (C) Commencing January 1, 2003, no handgun may be delivered unless the purchaser, transferee, or person being loaned the firearm presents documentation indicating that he or she is a California resident. Satisfactory documentation shall include a utility bill from within the last three months, a residential lease, a property deed, or military permanent duty station orders indicating assignment within this state, or other evidence of residency as permitted by the Department of Justice. The firearms dealer shall retain a photocopy of the documentation as proof of compliance with this requirement.
- (D) Commencing January 1, 2003, except as authorized by the department, no firearms dealer may deliver a handgun unless the recipient performs a safe handling demonstration with that handgun. The demonstration shall commence with the handgun unloaded and locked with the firearm safety device with which it is required to be delivered, if applicable. While maintaining muzzle awareness, that is, the firearm is pointed in a safe direction, preferably down at the ground, and trigger discipline, that is, the trigger finger is outside of the trigger guard and along side of the handgun frame, at all times, the handgun recipient shall correctly and safely perform the following:
  - (i) If the handgun is a semiautomatic pistol:
  - (I) Remove the magazine.
- (II) Lock the slide back. If the model of firearm does not allow the slide to be locked back, pull the slide back, visually and physically check the chamber to ensure that it is clear.

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(III) Visually and physically inspect the chamber, to ensure that the handgun is unloaded.

- (IV) Remove the firearm safety device, if applicable. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.
- (V) Load one bright orange, red, or other readily identifiable dummy round into the magazine. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.
  - (VI) Insert the magazine into the magazine well of the firearm.
- (VII) Manipulate the slide release or pull back and release the slide.
  - (VIII) Remove the magazine.
- (IX) Visually inspect the chamber to reveal that a round can be chambered with the magazine removed.
- (X) Lock the slide back to eject the bright orange, red, or other readily identifiable dummy round. If the handgun is of a model that does not allow the slide to be locked back, pull the slide back and physically check the chamber to ensure that the chamber is clear. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.
  - (XI) Apply the safety, if applicable.
- (XII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.
  - (ii) If the handgun is a double-action revolver:
  - (I) Open the cylinder.
- (II) Visually and physically inspect each chamber, to ensure that the revolver is unloaded.
- (III) Remove the firearm safety device. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.
- (IV) While maintaining muzzle awareness and trigger discipline, load one bright orange, red, or other readily identifiable dummy round into a chamber of the cylinder and rotate the cylinder so that the round is in the next-to-fire position. If no

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readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.

(V) Close the cylinder.

- (VI) Open the cylinder and eject the round.
- (VII) Visually and physically inspect each chamber to ensure that the revolver is unloaded.
- (VIII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.
  - (iii) If the handgun is a single-action revolver:
  - (I) Open the loading gate.
- (II) Visually and physically inspect each chamber, to ensure that the revolver is unloaded.
- (III) Remove the firearm safety device required to be sold with the handgun. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.
- (IV) Load one bright orange, red, or other readily identifiable dummy round into a chamber of the cylinder, close the loading gate and rotate the cylinder so that the round is in the next-to-fire position. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.
  - (V) Open the loading gate and unload the revolver.
- (VI) Visually and physically inspect each chamber to ensure that the revolver is unloaded.
- (VII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.
- (E) The recipient shall receive instruction regarding how to render that handgun safe in the event of a jam.
- (F) The firearms dealer shall sign and date an affidavit stating that the requirements of subparagraph (D) have been met. The

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1 firearms dealer shall additionally obtain the signature of the 2 handgun purchaser on the same affidavit. The firearms dealer shall 3 retain the original affidavit as proof of compliance with this 4 requirement.

- (G) The recipient shall perform the safe handling demonstration for a department certified instructor.
- (H) No demonstration shall be required if the dealer is returning the handgun to the owner of the handgun.
- (I) Department certified instructors who may administer the safe handling demonstration shall meet the requirements set forth in subdivision (j) of Section 12804.
- (J) The persons who are exempt from the requirements of subdivision (b) of Section 12801, pursuant to Section 12807, are also exempt from performing the safe handling demonstration.
- (9) Commencing July 1, 1992, the licensee shall offer to provide the purchaser or transferee of a firearm, or person being loaned a firearm, with a copy of the pamphlet described in Section 12080 and may add the cost of the pamphlet, if any, to the sales price of the firearm.
- (10) The licensee shall not commit an act of collusion as defined in Section 12072.
- (11) The licensee shall post conspicuously within the licensed premises a detailed list of each of the following:
- (A) All charges required by governmental agencies for processing firearm transfers required by Sections 12076, 12082, and 12806.
- (B) All fees that the licensee charges pursuant to Sections 12082 and 12806.
- (12) The licensee shall not misstate the amount of fees charged by a governmental agency pursuant to Sections 12076, 12082, and 12806.
- (13) The licensee shall report the loss or theft of any firearm that is merchandise of the licensee, any firearm that the licensee takes possession of pursuant to Section 12082, or any firearm kept at the licensee's place of business within 48 hours of discovery to the appropriate law enforcement agency in the city, county, or city and county where the licensee's business premises are located.
- 38 (14) Any time when the licensee is not open for business, the licensee shall store all firearms kept in his or her licensed place of

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business using one of the following methods as to each particularfirearm:

- (A) Store the firearm in a secure facility that is a part of, or that constitutes, the licensee's business premises.
- (B) Secure the firearm with a hardened steel rod or cable of at least one-eighth inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a bolt cutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises.
- (C) Store the firearm in a locked fireproof safe or vault in the licensee's business premises.
- (15) The licensing authority in an unincorporated area of a county or within a city may impose security requirements that are more strict or are at a higher standard than those specified in paragraph (14).
- (16) Commencing January 1, 1994, the licensee shall, upon the issuance or renewal of a license, submit a copy of the same to the Department of Justice.
- (17) The licensee shall maintain and make available for inspection during business hours to any peace officer, authorized local law enforcement employee, or Department of Justice employee designated by the Attorney General, upon the presentation of proper identification, a firearms transaction record.
- (18) (A) On the date of receipt, the licensee shall report to the Department of Justice in a format prescribed by the department the acquisition by the licensee of the ownership of a pistol, revolver, or other firearm capable of being concealed upon the person handgun.
- (B) The provisions of this paragraph shall not apply to any of the following transactions:
- (i) A transaction subject to the provisions of subdivision (n) of Section 12078.
  - (ii) The dealer acquired the firearm from a wholesaler.
- (iii) The dealer is also licensed as a secondhand dealer pursuant to Article 4 (commencing with Section 21625) of Chapter 9 of
- 39 Division 8 of the Business and Professions Code.

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(iv) The dealer acquired the firearm from a person who is licensed as a manufacturer or importer to engage in those activities pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and any regulations issued pursuant thereto.

- (v) The dealer acquired the firearm from a person who resides outside this state who is licensed pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and any regulations issued pursuant thereto.
- (19) The licensee shall forward in a format prescribed by the Department of Justice, information as required by the department on any firearm that is not delivered within the time period set forth in Section 178.102 (e) 478.102 (c) of Title 27 of the Code of Federal Regulations.
- (20) (A) Firearms dealers may require any agent who handles, sells, or delivers firearms to obtain and provide to the dealer a certificate of eligibility from the department pursuant to paragraph (4) of subdivision (a). The agent or employee shall provide on the application, the name and California firearms dealer number of the firearms dealer with whom he or she is employed.
- (B) The department shall notify the firearms dealer in the event that the agent or employee who has a certificate of eligibility is or becomes prohibited from possessing firearms.
- (C) If the local jurisdiction requires a background check of the agents or employees of the firearms dealer, the agent or employee shall obtain a certificate of eligibility pursuant to subparagraph (A).
- (D) Nothing in this paragraph shall be construed to preclude a local jurisdiction from conducting an additional background check pursuant to Section 11105 or prohibiting employment based on criminal history that does not appear as part of obtaining a certificate of eligibility, provided however, that the local jurisdiction may not charge a fee for the additional criminal history check.
- (E) The licensee shall prohibit any agent who the licensee knows or reasonably should know is within a class of persons prohibited from possessing firearms pursuant to Section 12021 or 12021.1 of this code, or Section 8100 or 8103 of the Welfare and Institutions Code, from coming into contact with any firearm that is not secured and from accessing any key, combination, code, or

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other means to open any of the locking devices described in clause (ii) of subparagraph (G) of this paragraph.

- (F) Nothing in this paragraph shall be construed as preventing a local government from enacting an ordinance imposing additional conditions on licensees with regard to agents.
- (G) For purposes of this section, the following definitions shall apply:
  - (i) An "agent" is an employee of the licensee.

- (ii) "Secured" means a firearm that is made inoperable in one or more of the following ways:
- (I) The firearm is inoperable because it is secured by a firearms safety device listed on the department's roster of approved firearms safety devices pursuant to subdivision (d) of Section 12088 of this chapter.
- (II) The firearm is stored in a locked gun safe or long-gun safe which meets the standards for department-approved gun safes set forth in Section 12088.2.
- (III) The firearm is stored in a distinct locked room or area in the building that is used to store firearms that can only be unlocked by a key, a combination, or similar means.
- (IV) The firearm is secured with a hardened steel rod or cable that is at least one-eighth of an inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a bolt cutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises.
- (c) (1) As used in this article, "clear evidence of his or her identity and age" means either of the following:
  - (A) A valid California driver's license.
- (B) A valid California identification card issued by the Department of Motor Vehicles.
- (2) As used in this section, a "secure facility" means a building that meets all of the following specifications:
  - (A) All perimeter doorways shall meet one of the following:
- (i) A windowless steel security door equipped with both a dead bolt and a doorknob lock.
- (ii) A windowed metal door that is equipped with both a dead bolt and a doorknob lock. If the window has an opening of five inches or more measured in any direction, the window shall be

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1 covered with steel bars of at least one-half inch diameter or metal 2 grating of at least nine gauge affixed to the exterior or interior of 3 the door.

- (iii) A metal grate that is padlocked and affixed to the licensee's premises independent of the door and doorframe.
  - (B) All windows are covered with steel bars.
- (C) Heating, ventilating, air-conditioning, and service openings are secured with steel bars, metal grating, or an alarm system.
- (D) Any metal grates have spaces no larger than six inches wide measured in any direction.
- (E) Any metal screens have spaces no larger than three inches wide measured in any direction.
  - (F) All steel bars shall be no further than six inches apart.
- (3) As used in this section, "licensed premises," "licensed place of business," "licensee's place of business," or "licensee's business premises" means the building designated in the license.
  - (4) For purposes of paragraph (17) of subdivision (b):
- (A) A "firearms transaction record" is a record containing the same information referred to in subdivision (a) of Section 178.124, Section 178.124a 478.124, Section 478.124a, and subdivision (e) of Section 178.125 478.125 of Title 27 of the Code of Federal Regulations, or their successors.
- (B) A licensee shall be in compliance with the provisions of paragraph (17) of subdivision (b) if he or she maintains and makes available for inspection during business hours to any peace officer, authorized local law enforcement employee, or Department of Justice employee designated by the Attorney General, upon the presentation of proper identification, the bound book containing the same information referred to in Section 178.124a 478.124a and subdivision (e) of Section 178.125 478.125 of Title 27 of the Code of Federal Regulations, or their successors, and the records referred to in subdivision (a) of Section 178.124 478.124 of Title 27 of the Code of Federal Regulations, or its successor.
- (d) Upon written request from a licensee, the licensing authority may grant an exemption from compliance with the requirements of paragraph (14) of subdivision (b) if the licensee is unable to comply with those requirements because of local ordinances, covenants, lease conditions, or similar circumstances not under the control of the licensee.

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- (e) (1) Except as otherwise provided in this paragraph, the Department of Justice shall keep a centralized list of all persons licensed pursuant to subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (a), and all persons who have submitted information pursuant to subdivision (a) of Section 12083. The department may remove from this list any person who knowingly or with gross negligence violates this article. Upon removal of a dealer from this list, notification shall be provided to local law enforcement and licensing authorities in the jurisdiction where the dealer's business is located.
- (2) The department shall remove from the centralized list any person whose federal firearms license has expired or has been revoked
- (3) Information compiled from the list shall be made available, upon request, for the following purposes only:
  - (A) For law enforcement purposes.

- (B) When the information is requested by a person licensed pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code for determining the validity of the license for firearm shipments.
- (C) When information is requested by a person promoting, sponsoring, operating, or otherwise organizing a show or event as defined in Section—178.100 478.100 of Title 27 of the Code of Federal Regulations, or its successor, who possesses a valid certificate of eligibility issued pursuant to Section 12071.1, if that information is requested by the person to determine the eligibility of a prospective participant in a gun show or event to conduct transactions as a firearms dealer pursuant to subparagraph (B) of paragraph (1) of subdivision (b).
- (4) Information provided pursuant to paragraph (3) shall be limited to information necessary to corroborate an individual's current license status as being one of the following:
- (A) A person licensed pursuant to subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (a).
- (B) A person licensed pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and who is not subject to the requirement that he or she be licensed pursuant to subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (a).

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- (f) The Department of Justice may inspect dealers to ensure compliance with this article. The department may assess an annual fee, not to exceed one hundred fifteen dollars (\$115), to cover the reasonable cost of maintaining the list described in subdivision (e), including the cost of inspections. Dealers whose place of business is in a jurisdiction that has adopted an inspection program to ensure compliance with firearms law shall be exempt from that portion of the department's fee that relates to the cost of inspections. The applicant is responsible for providing evidence to the department that the jurisdiction in which the business is located has the inspection program.
- (g) The Department of Justice shall maintain and make available upon request information concerning the number of inspections conducted and the amount of fees collected pursuant to subdivision (f), a listing of exempted jurisdictions, as defined in subdivision (f), the number of dealers removed from the centralized list defined in subdivision (e), and the number of dealers found to have violated this article with knowledge or gross negligence.
- (h) Paragraph (14) or (15) of subdivision (b) shall not apply to a licensee organized as a nonprofit public benefit or mutual benefit corporation organized pursuant to Part 2 (commencing with Section 5110) or Part 3 (commencing with Section 7110) of Division 2 of the Corporations Code, if both of the following conditions are satisfied:
- (1) The nonprofit public benefit or mutual benefit corporation obtained the dealer's license solely and exclusively to assist that corporation or local chapters of that corporation in conducting auctions or similar events at which firearms are auctioned off to fund the activities of that corporation or the local chapters of the corporation.
- (2) The firearms are not pistols, revolvers, or other firearms eapable of being concealed upon the person handguns.
- (i) (1) For every verification inquiry made pursuant to paragraph (1) of subdivision (f) of Section 12072, the department shall determine whether the intended recipient possesses an appropriate, valid license issued pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and, if applicable, is properly licensed pursuant to this section.

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- (2) If the intended recipient possesses an appropriate, valid license issued pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code, and if applicable, is properly licensed pursuant to this section, the department shall immediately provide a unique verification number to the inquiring party.
- (3) If the intended recipient does not possess an appropriate, valid license issued pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code, or if applicable, is not properly licensed pursuant to this section, the department shall do all of the following:
  - (A) Immediately notify the inquiring party of that fact.
- (B) Within 24 hours, notify the chief law enforcement officer of the jurisdiction where the address on the federal firearms license about which the inquiry was made is located, and notify an appropriate employee of the federal Bureau of Alcohol, Tobacco and Firearms of the denied verification.
- SEC. 1.5. Section 12071 of the Penal Code is amended to read:
- 12071. (a) (1) As used in this chapter, the term "licensee," "person licensed pursuant to Section 12071," or "dealer" means a person who has all of the following:
  - (A) A valid federal firearms license.

- (B) Any regulatory or business license, or licenses, required by local government.
- (C) A valid seller's permit issued by the State Board of Equalization.
- (D) A certificate of eligibility issued by the Department of Justice pursuant to paragraph (4).
  - (E) A license issued in the format prescribed by paragraph (6).
- (F) Is among those recorded in the centralized list specified in subdivision (e).
- (2) The duly constituted licensing authority of a city, county, or a city and county shall accept applications for, and may grant licenses permitting, licensees to sell firearms at retail within the city, county, or city and county. The duly constituted licensing authority shall inform applicants who are denied licenses of the reasons for the denial in writing.
- 39 (3) No license shall be granted to any applicant who fails to 40 provide a copy of his or her valid federal firearms license, valid

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seller's permit issued by the State Board of Equalization, and the certificate of eligibility described in paragraph (4).

- (4) A person may request a certificate of eligibility from the Department of Justice and the Department of Justice shall issue a certificate to an applicant if the department's records indicate that the applicant is not a person who is prohibited from possessing firearms.
- (5) The department shall adopt regulations to administer the certificate of eligibility program and shall recover the full costs of administering the program by imposing fees assessed to applicants who apply for those certificates.
- (6) A license granted by the duly constituted licensing authority of any city, county, or city and county, shall be valid for not more than one year from the date of issuance and shall be in one of the following forms:
  - (A) In the form prescribed by the Attorney General.
- (B) A regulatory or business license that states on its face "Valid for Retail Sales of Firearms" and is endorsed by the signature of the issuing authority.
- (C) A letter from the duly constituted licensing authority having primary jurisdiction for the applicant's intended business location stating that the jurisdiction does not require any form of regulatory or business license or does not otherwise restrict or regulate the sale of firearms.
- (7) Local licensing authorities may assess fees to recover their full costs of processing applications for licenses.
- (b) A license is subject to forfeiture for a breach of any of the following prohibitions and requirements:
- (1) (A) Except as provided in subparagraphs (B) and (C), the business shall be conducted only in the buildings designated in the license.
- (B) A person licensed pursuant to subdivision (a) may take possession of firearms and commence preparation of registers for the sale, delivery, or transfer of firearms at gun shows or events, as defined in Section 178.100 478.100 of Title 27 of the Code of Federal Regulations, or its successor, if the gun show or event is not conducted from any motorized or towed vehicle. A person conducting business pursuant to this subparagraph shall be entitled to conduct business as authorized herein at any gun show or event in the state without regard to the jurisdiction within this state that

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issued the license pursuant to subdivision (a), provided the person complies with (i) all applicable laws, including, but not limited to, the waiting period specified in subparagraph (A) of paragraph (3), and (ii) all applicable local laws, regulations, and fees, if any.

 A person conducting business pursuant to this subparagraph shall publicly display his or her license issued pursuant to subdivision (a), or a facsimile thereof, at any gun show or event, as specified in this subparagraph.

(C) A person licensed pursuant to subdivision (a) may engage in the sale and transfer of firearms other than pistols, revolvers, or other firearms capable of being concealed upon the person handguns, at events specified in subdivision (g) of Section 12078, subject to the prohibitions and restrictions contained in that subdivision.

A person licensed pursuant to subdivision (a) also may accept delivery of firearms other than pistols, revolvers, or other firearms eapable of being concealed upon the person handguns, outside the building designated in the license, provided the firearm is being donated for the purpose of sale or transfer at an auction or similar event specified in subdivision (g) of Section 12078.

- (D) The firearm may be delivered to the purchaser, transferee, or person being loaned the firearm at one of the following places:
  - (i) The building designated in the license.
  - (ii) The places specified in subparagraph (B) or (C).
- (iii) The place of residence of, the fixed place of business of, or on private property owned or lawfully possessed by, the purchaser, transferee, or person being loaned the firearm.
- (2) The license or a copy thereof, certified by the issuing authority, shall be displayed on the premises where it can easily be seen.
  - (3) No firearm shall be delivered:
- (A) Within 10 days of the application to purchase, or, after notice by the department pursuant to subdivision (d) of Section 12076, within 10 days of the submission to the department of any correction to the application, or within 10 days of the submission to the department of any fee required pursuant to subdivision (e) of Section 12076, whichever is later.
- 38 (B) Unless unloaded and securely wrapped or unloaded and in a locked container.

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(C) Unless the purchaser, transferee, or person being loaned the firearm presents clear evidence of his or her identity and age to the dealer

- (D) Whenever the dealer is notified by the Department of Justice that the person is in a prohibited class described in Section 12021 or 12021.1 of this code or Section 8100 or 8103 of the Welfare and Institutions Code. The dealer shall make available to the person in the prohibited class a prohibited notice and transfer form, provided by the department, stating that the person is prohibited from owning or possessing a firearm, and that the person may obtain from the department the reason for the prohibition.
- (4) No pistol, revolver, or other firearm handgun or imitation thereof capable of being concealed upon the person handgun, or placard advertising the sale or other transfer thereof, shall be displayed in any part of the premises where it can readily be seen from the outside.
- (5) The licensee shall agree to and shall act properly and promptly in processing firearms transactions pursuant to Section 12082.
- (6) The licensee shall comply with Sections 12073, 12076, and 12077, subdivisions (a) and (b) and paragraph (1) of subdivision (f) of Section 12072, and subdivision (a) of Section 12316 and Section 12326.
- (7) The licensee shall post conspicuously within the licensed premises the following warnings in block letters not less than one inch in height:
- inch in height:

   (A) "IF YOU KEEP A LOADED FIREARM WITHIN ANY
   PREMISES UNDER YOUR CUSTODY OR CONTROL, AND
   A PERSON UNDER 18 YEARS OF AGE OBTAINS IT AND

   OR USES IT, RESULTING IN INJURY OR DEATH, OR
   CARRIES IT TO A PUBLIC PLACE, YOU MAY BE GUILTY
- 33 OF A MISDEMEANOR OR A FELONY UNLESS YOU
- 34 STORED THE FIREARM IN A LOCKED CONTAINER,
- 35 STORED THE FIREARM UNLOADED AND NOT IN
- 36 PROXIMITY TO AMMUNITION FOR THAT FIREARM IN A
- 37 LOCATION THAT A REASONABLE PERSON WOULD
- 38 BELIEVE TO BE SECURE, OR LOCKED THE FIREARM
- 39 WITH A LOCKING DEVICE, TO KEEP IT FROM
- 40 TEMPORARILY FUNCTIONING."

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(B) "IF YOU KEEP A PISTOL, REVOLVER, OR OTHER 1 2 FIREARM CAPABLE OF BEING CONCEALED UPON THE PERSON HANDGUN, WITHIN ANY PREMISES UNDER YOUR CUSTODY OR CONTROL, AND A PERSON UNDER 18 YEARS OF AGE GAINS ACCESS TO THE FIREARM, OR A PERSON UNDER THE AGE OF 18 YEARS OF AGE GAINS TO THEFIREARM AND CARRIES OFF-PREMISES, YOU MAY BE GUILTY MISDEMEANOR, UNLESS YOU STORED THE FIREARM IN 10 A LOCKED CONTAINER. OR LOCKED THE FIREARM WITH A LOCKING DEVICE, TO KEEP IT FROM TEMPORARILY FUNCTIONING." 12 13

- 13 (C) "IF YOU KEEP ANY FIREARM WITHIN ANY
  14 PREMISES UNDER YOUR CUSTODY OR CONTROL, AND
  15 A PERSON UNDER 18 YEARS OF AGE GAINS ACCESS TO
  16 THE FIREARM, AND CARRIES IT OFF-PREMISES TO A
  17 SCHOOL OR SCHOOL-SPONSORED EVENT, YOU MAY BE
  18 GUILTY OF A MISDEMEANOR, INCLUDING A FINE OF UP
  19 TO FIVE THOUSAND DOLLARS (\$5,000), UNLESS YOU
  20 STORED THE FIREARM IN A LOCKED CONTAINER, OR
  21 LOCKED THE FIREARM WITH A LOCKING DEVICE."
- 22 (D) "DISCHARGING FIREARMS IN POORLY
  23 VENTILATED AREAS, CLEANING FIREARMS, OR
  24 HANDLING AMMUNITION MAY RESULT IN EXPOSURE
  25 TO LEAD, A SUBSTANCE KNOWN TO CAUSE BIRTH
  26 DEFECTS, REPRODUCTIVE HARM, AND OTHER SERIOUS
  27 PHYSICAL INJURY. HAVE ADEQUATE VENTILATION AT
  28 ALL TIMES. WASH HANDS THOROUGHLY AFTER
  29 EXPOSURE."
- (E) "FEDERAL REGULATIONS PROVIDE THAT IF YOU 30 31 DO NOT TAKE PHYSICAL POSSESSION OF THE FIREARM 32 THAT YOU ARE ACOUIRING OWNERSHIP OF WITHIN 30 33 DAYS YOU COMPLETE AFTER THE INITIAL 34 BACKGROUND CHECK PAPERWORK, THEN YOU HAVE 35 TO GO THROUGH THE BACKGROUND CHECK PROCESS 36 A SECOND TIME IN ORDER TO TAKE PHYSICAL 37 POSSESSION OF THAT FIREARM."
- 38 (F) "NO PERSON SHALL MAKE AN APPLICATION TO 39 PURCHASE MORE THAN ONE PISTOL, REVOLVER, OR 40 OTHER FIREARM CAPABLE OF BEING CONCEALED

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1 UPON THE PERSON HANDGUN WITHIN ANY 30-DAY

- 2 PERIOD AND NO DELIVERY SHALL BE MADE TO ANY
- 3 PERSON WHO HAS MADE AN APPLICATION TO
- 4 PURCHASE MORE THAN ONE PISTOL, REVOLVER, OR
- 5 OTHER FIREARM CAPABLE OF BEING CONCEALED
- 6 UPON THE PERSON HANDGUN WITHIN ANY 30-DAY 7 PERIOD."
  - (8) (A) Commencing April 1, 1994, and until January 1, 2003, no pistol, revolver, or other firearm capable of being concealed upon the person handgun shall be delivered unless the purchaser, transferee, or person being loaned the firearm presents to the dealer a basic firearms safety certificate.
  - (B) Commencing January 1, 2003, no dealer may deliver a handgun unless the person receiving the handgun presents to the dealer a valid handgun safety certificate. The firearms dealer shall retain a photocopy of the handgun safety certificate as proof of compliance with this requirement.
  - (C) Commencing January 1, 2003, no handgun may be delivered unless the purchaser, transferee, or person being loaned the firearm presents documentation indicating that he or she is a California resident. Satisfactory documentation shall include a utility bill from within the last three months, a residential lease, a property deed, or military permanent duty station orders indicating assignment within this state, or other evidence of residency as permitted by the Department of Justice. The firearms dealer shall retain a photocopy of the documentation as proof of compliance with this requirement.
  - (D) Commencing January 1, 2003, except as authorized by the department, no firearms dealer may deliver a handgun unless the recipient performs a safe handling demonstration with that handgun. The demonstration shall commence with the handgun unloaded and locked with the firearm safety device with which it is required to be delivered, if applicable. While maintaining muzzle awareness, that is, the firearm is pointed in a safe direction, preferably down at the ground, and trigger discipline, that is, the trigger finger is outside of the trigger guard and along side of the handgun frame, at all times, the handgun recipient shall correctly and safely perform the following:
    - (i) If the handgun is a semiautomatic pistol:
    - (I) Remove the magazine.

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(II) Lock the slide back. If the model of firearm does not allow the slide to be locked back, pull the slide back, visually and physically check the chamber to ensure that it is clear.

- (III) Visually and physically inspect the chamber, to ensure that the handgun is unloaded.
- (IV) Remove the firearm safety device, if applicable. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.
- (V) Load one bright orange, red, or other readily identifiable dummy round into the magazine. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.
  - (VI) Insert the magazine into the magazine well of the firearm.
- (VII) Manipulate the slide release or pull back and release the slide.
  - (VIII) Remove the magazine.

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- (IX) Visually inspect the chamber to reveal that a round can be chambered with the magazine removed.
- (X) Lock the slide back to eject the bright orange, red, or other readily identifiable dummy round. If the handgun is of a model that does not allow the slide to be locked back, pull the slide back and physically check the chamber to ensure that the chamber is clear. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.
  - (XI) Apply the safety, if applicable.
- (XII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.
  - (ii) If the handgun is a double-action revolver:
  - (I) Open the cylinder.
- 35 (II) Visually and physically inspect each chamber, to ensure that the revolver is unloaded.
  - (III) Remove the firearm safety device. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.

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(IV) While maintaining muzzle awareness and trigger discipline, load one bright orange, red, or other readily identifiable dummy round into a chamber of the cylinder and rotate the cylinder so that the round is in the next-to-fire position. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.

- (V) Close the cylinder.
- (VI) Open the cylinder and eject the round.
- 9 (VII) Visually and physically inspect each chamber to ensure that the revolver is unloaded.
  - (VIII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.
    - (iii) If the handgun is a single-action revolver:
    - (I) Open the loading gate.
  - (II) Visually and physically inspect each chamber, to ensure that the revolver is unloaded.
  - (III) Remove the firearm safety device required to be sold with the handgun. If the firearm safety device prevents any of the previous steps, remove the firearm safety device during the appropriate step.
  - (IV) Load one bright orange, red, or other readily identifiable dummy round into a chamber of the cylinder, close the loading gate and rotate the cylinder so that the round is in the next-to-fire position. If no readily identifiable dummy round is available, an empty cartridge casing with an empty primer pocket may be used.
    - (V) Open the loading gate and unload the revolver.
  - (VI) Visually and physically inspect each chamber to ensure that the revolver is unloaded.
  - (VII) Apply the firearm safety device, if applicable. This requirement shall not apply to an Olympic competition pistol if no firearms safety device, other than a cable lock that the department has determined would damage the barrel of the pistol, has been approved for the pistol, and the pistol is either listed in paragraph (2) of subdivision (h) of Section 12132 or is subject to paragraph (3) of subdivision (h) of Section 12132.

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(E) The recipient shall receive instruction regarding how to render that handgun safe in the event of a jam.

- (F) The firearms dealer shall sign and date an affidavit stating that the requirements of subparagraph (D) have been met. The firearms dealer shall additionally obtain the signature of the handgun purchaser on the same affidavit. The firearms dealer shall retain the original affidavit as proof of compliance with this requirement.
- (G) The recipient shall perform the safe handling demonstration for a department certified instructor.
- (H) No demonstration shall be required if the dealer is returning the handgun to the owner of the handgun.
- (I) Department certified instructors who may administer the safe handling demonstration shall meet the requirements set forth in subdivision (j) of Section 12804.
- (J) The persons who are exempt from the requirements of subdivision (b) of Section 12801, pursuant to Section 12807, are also exempt from performing the safe handling demonstration.
- (9) Commencing July 1, 1992, the licensee shall offer to provide the purchaser or transferee of a firearm, or person being loaned a firearm, with a copy of the pamphlet described in Section 12080 and may add the cost of the pamphlet, if any, to the sales price of the firearm.
- (10) The licensee shall not commit an act of collusion as defined in Section 12072.
- (11) The licensee shall post conspicuously within the licensed premises a detailed list of each of the following:
- (A) All charges required by governmental agencies for processing firearm transfers required by Sections 12076, 12082, and 12806.
- (B) All fees that the licensee charges pursuant to Sections 12082 and 12806.
- (12) The licensee shall not misstate the amount of fees charged by a governmental agency pursuant to Sections 12076, 12082, and 12806.
- (13) The licensee shall report the loss or theft of any firearm that is merchandise of the licensee, any firearm that the licensee takes possession of pursuant to Section 12082, or any firearm kept at the licensee's place of business within 48 hours of discovery to

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the appropriate law enforcement agency in the city, county, or city and county where the licensee's business premises are located.

- (14) Any time when the licensee is not open for business, the licensee shall store all firearms kept in his or her licensed place of business using one of the following methods as to each particular firearm:
- (A) Store the firearm in a secure facility that is a part of, or that constitutes, the licensee's business premises.
- (B) Secure the firearm with a hardened steel rod or cable of at 10 least one-eighth inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a bolt cutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises.
  - (C) Store the firearm in a locked fireproof safe or vault in the licensee's business premises.
  - (15) The licensing authority in an unincorporated area of a county or within a city may impose security requirements that are more strict or are at a higher standard than those specified in paragraph (14).
  - (16) Commencing January 1, 1994, the licensee shall, upon the issuance or renewal of a license, submit a copy of the same to the Department of Justice.
  - (17) The licensee shall maintain and make available for inspection during business hours to any peace officer, authorized local law enforcement employee, or Department of Justice employee designated by the Attorney General, upon the presentation of proper identification, a firearms transaction record.
  - (18) (A) On the date of receipt, the licensee shall report to the Department of Justice in a format prescribed by the department the acquisition by the licensee of the ownership of a pistol, revolver, or other firearm capable of being concealed upon the person handgun.
  - (B) The provisions of this paragraph shall not apply to any of the following transactions:
- (i) A transaction subject to the provisions of subdivision (n) of 38 39
  - (ii) The dealer acquired the firearm from a wholesaler.

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(iii) The dealer is also licensed as a secondhand dealer pursuant to Article 4 (commencing with Section 21625) of Chapter 9 of Division 8 of the Business and Professions Code.

- (iv) The dealer acquired the firearm from a person who is licensed as a manufacturer or importer to engage in those activities pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and any regulations issued pursuant thereto.
- (v) The dealer acquired the firearm from a person who resides outside this state who is licensed pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and any regulations issued pursuant thereto.
- (19) The licensee shall forward in a format prescribed by the Department of Justice, information as required by the department on any firearm that is not delivered within the time period set forth in Section 178.102 (c) 478.102 (c) of Title 27 of the Code of Federal Regulations.
- (20) (A) Firearms dealers may require any agent who handles, sells, or delivers firearms to obtain and provide to the dealer a certificate of eligibility from the department pursuant to paragraph (4) of subdivision (a). The agent or employee shall provide on the application, the name and California firearms dealer number of the firearms dealer with whom he or she is employed.
- (B) The department shall notify the firearms dealer in the event that the agent or employee who has a certificate of eligibility is or becomes prohibited from possessing firearms.
- (C) If the local jurisdiction requires a background check of the agents or employees of the firearms dealer, the agent or employee shall obtain a certificate of eligibility pursuant to subparagraph (A).
- (D) Nothing in this paragraph shall be construed to preclude a local jurisdiction from conducting an additional background check pursuant to Section 11105 or prohibiting employment based on criminal history that does not appear as part of obtaining a certificate of eligibility, provided however, that the local jurisdiction may not charge a fee for the additional criminal history check.
- (E) The licensee shall prohibit any agent who the licensee knows or reasonably should know is within a class of persons prohibited from possessing firearms pursuant to Section 12021 or

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1 12021.1 of this code, or Section 8100 or 8103 of the Welfare and

- 2 Institutions Code, from coming into contact with any firearm that
- 3 is not secured and from accessing any key, combination, code, or
- 4 other means to open any of the locking devices described in clause 5 (ii) of subparagraph (G) of this paragraph.
  - (F) Nothing in this paragraph shall be construed as preventing a local government from enacting an ordinance imposing additional conditions on licensees with regard to agents.
- 9 (G) For purposes of this section, the following definitions shall 10 apply:
  - (i) An "agent" is an employee of the licensee.
  - (ii) "Secured" means a firearm that is made inoperable in one or more of the following ways:
  - (I) The firearm is inoperable because it is secured by a firearms safety device listed on the department's roster of approved firearms safety devices pursuant to subdivision (d) of Section 12088 of this chapter.
  - (II) The firearm is stored in a locked gun safe or long-gun safe which meets the standards for department-approved gun safes set forth in Section 12088.2.
  - (III) The firearm is stored in a distinct locked room or area in the building that is used to store firearms that can only be unlocked by a key, a combination, or similar means.
  - (IV) The firearm is secured with a hardened steel rod or cable that is at least one-eighth of an inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a bolt cutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises.
  - (c) (1) As used in this article, "clear evidence of his or her identity and age" means either of the following:
    - (A) A valid California driver's license.
  - (B) A valid California identification card issued by the Department of Motor Vehicles.
  - (2) As used in this section, a "secure facility" means a building that meets all of the following specifications:
    - (A) All perimeter doorways shall meet one of the following:
- 39 (i) A windowless steel security door equipped with both a dead 40 bolt and a doorknob lock.

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(ii) A windowed metal door that is equipped with both a dead bolt and a doorknob lock. If the window has an opening of 5 *five* inches or more measured in any direction, the window shall be covered with steel bars of at least  $\frac{1}{2}$  one-half inch diameter or metal grating of at least 9 nine gauge affixed to the exterior or interior of the door.

- (iii) A metal grate that is padlocked and affixed to the licensee's premises independent of the door and doorframe.
  - (B) All windows are covered with steel bars.

- (C) Heating, ventilating, air-conditioning, and service openings are secured with steel bars, metal grating, or an alarm system.
- (D) Any metal grates have spaces no larger than  $\frac{6}{5}$  six inches wide measured in any direction.
- (E) Any metal screens have spaces no larger than 3 *three* inches wide measured in any direction.
  - (F) All steel bars shall be no further than 6 six inches apart.
- (3) As used in this section, "licensed premises," "licensed place of business," "licensee's place of business," or "licensee's business premises" means the building designated in the license.
  - (4) For purposes of paragraph (17) of subdivision (b):
- (A) A "firearms transaction record" is a record containing the same information referred to in subdivision (a) of Section 178.124 478.124, Section 178.124a 478.124a, and subdivision (e) of Section 178.125 478.125 of Title 27 of the Code of Federal Regulations, or their successors.
- (B) A licensee shall be in compliance with the provisions of paragraph (17) of subdivision (b) if he or she maintains and makes available for inspection during business hours to any peace officer, authorized local law enforcement employee, or Department of Justice employee designated by the Attorney General, upon the presentation of proper identification, the bound book containing the same information referred to in Section 178.124a 478.124a and subdivision (e) of Section 178.125 478.125 of Title 27 of the Code of Federal Regulations, or their successors, and the records referred to in subdivision (a) of Section 178.124 478.124 of Title 27 of the Code of Federal Regulations, or its successor.
- (d) Upon written request from a licensee, the licensing authority may grant an exemption from compliance with the requirements of paragraph (14) of subdivision (b) if the licensee

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 is unable to comply with those requirements because of local ordinances, covenants, lease conditions, or similar circumstances not under the control of the licensee.

- (e) (1) Except as otherwise provided in this paragraph, the Department of Justice shall keep a centralized list of all persons licensed pursuant to subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (a), and all persons who have submitted information pursuant to subdivision (a) of Section 12083. The department may remove from this list any person who knowingly or with gross negligence violates this article. Upon removal of a dealer from this list, notification shall be provided to local law enforcement and licensing authorities in the jurisdiction where the dealer's business is located.
- (2) The department shall remove from the centralized list any person whose federal firearms license has expired or has been revoked
- (3) Information compiled from the list shall be made available, upon request, for the following purposes only:
  - (A) For law enforcement purposes.
- (B) When the information is requested by a person licensed pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code for determining the validity of the license for firearm shipments.
- (C) When information is requested by a person promoting, sponsoring, operating, or otherwise organizing a show or event as defined in Section—178.100 478.100 of Title 27 of the Code of Federal Regulations, or its successor, who possesses a valid certificate of eligibility issued pursuant to Section 12071.1, if that information is requested by the person to determine the eligibility of a prospective participant in a gun show or event to conduct transactions as a firearms dealer pursuant to subparagraph (B) of paragraph (1) of subdivision (b).
- (4) Information provided pursuant to paragraph (3) shall be limited to information necessary to corroborate an individual's current license status as being one of the following:
- (A) A person licensed pursuant to subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (a).
- (B) A person licensed pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and who is not subject to the requirement that he or she be licensed pursuant

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to subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (a).

- (f) The Department of Justice may inspect dealers to ensure compliance with this article. The department may assess an annual fee, not to exceed one hundred fifteen dollars (\$115), to cover the reasonable cost of maintaining the list described in subdivision (e), including the cost of inspections. Dealers whose place of business is in a jurisdiction that has adopted an inspection program to ensure compliance with firearms law shall be exempt from that portion of the department's fee that relates to the cost of inspections. The applicant is responsible for providing evidence to the department that the jurisdiction in which the business is located has the inspection program.
- (g) The Department of Justice shall maintain and make available upon request information concerning the number of inspections conducted and the amount of fees collected pursuant to subdivision (f), a listing of exempted jurisdictions, as defined in subdivision (f), the number of dealers removed from the centralized list defined in subdivision (e), and the number of dealers found to have violated this article with knowledge or gross negligence.
- (h) Paragraph (14) or (15) of subdivision (b) shall not apply to a licensee organized as a nonprofit public benefit or mutual benefit corporation organized pursuant to Part 2 (commencing with Section 5110) or Part 3 (commencing with Section 7110) of Division 2 of the Corporations Code, if both of the following conditions are satisfied:
- (1) The nonprofit public benefit or mutual benefit corporation obtained the dealer's license solely and exclusively to assist that corporation or local chapters of that corporation in conducting auctions or similar events at which firearms are auctioned off to fund the activities of that corporation or the local chapters of the corporation.
- (2) The firearms are not pistols, revolvers, or other firearms capable of being concealed upon the person handguns.
- (i) (1) For every verification inquiry made pursuant to paragraph (1) of subdivision (f) of Section 12072, the department shall determine whether the intended recipient possesses an appropriate, valid license issued pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States

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Code and, if applicable, is properly licensed pursuant to this section.

- (2) If the intended recipient possesses an appropriate, valid license issued pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code, and if applicable, is properly licensed pursuant to this section, the department shall immediately provide a unique verification number to the inquiring
- (3) If the intended recipient does not possess an appropriate, 10 valid license issued pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code, or if applicable, is not properly licensed pursuant to this section, the department shall do all of the following:
  - (A) Immediately notify the inquiring party of that fact.
  - (B) Within 24 hours, notify the chief law enforcement officer of the jurisdiction where the address on the federal firearms license about which the inquiry was made is located, and notify an appropriate employee of the federal Bureau of Alcohol, Tobacco and Firearms of the denied verification.
  - SEC. 2. Section 12316 of the Penal Code is amended to read: 12316. (a) (1) Any person, corporation, or dealer who does either of the following shall be punished by imprisonment in a county jail for a term not to exceed six months, or by a fine not to exceed one thousand dollars (\$1,000), or by both that imprisonment and fine:
  - (A) Sells any ammunition or reloaded ammunition to a person under 18 years of age.
  - (B) Sells any ammunition or reloaded ammunition designed and intended for use in a pistol, revolver, or other firearm capable of being concealed upon the person handgun to a person under 21 years of age. As used in this subparagraph, "ammunition" means handgun ammunition as defined in subdivision (a) of Section 12323. Where ammunition or reloaded ammunition may be used in both a rifle and a handgun, federal law shall be considered for purposes of enforcing this subparagraph.
  - (2) Proof that a person, corporation, or dealer, or his or her agent or employee, demanded, was shown, and acted in reasonable reliance upon, bona fide evidence of majority and identity shall be a defense to any criminal prosecution under this subdivision. As used in this subdivision, "bona fide evidence of majority and

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1 identity" means a document issued by a federal, state, county, or 2 municipal government, or subdivision or agency thereof, 3 including, but not limited to, a motor vehicle operator's license, 4 California state identification card, a registration certificate issued under the federal Selective Service Act, or an identification card issued to a member of the Armed Forces, or other form of identification that bears the name, date of birth, description, and picture of the person.

(b) (1) No person prohibited from owning or possessing a firearm under Section 12021 or 12021.1 of this code or Section 8100 or 8103 of the Welfare and Institutions Code shall own, possess, or have under his or her custody or control, any ammunition or reloaded ammunition.

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- (2) For purposes of this subdivision, "ammunition" shall include, but not be limited to, any bullet, cartridge, magazine, clip, speed loader, autoloader, or projectile capable of being fired from a firearm with a deadly consequence.
- (3) A violation of this subdivision is punishable by imprisonment in a county jail not to exceed one year or in the state prison, by a fine not to exceed one thousand dollars (\$1,000), or by both that fine and imprisonment.
- (c) Unless it is with the written permission of the school district superintendent, his or her designee, or equivalent school authority, no person shall carry ammunition or reloaded ammunition onto school grounds, except sworn law enforcement officers acting within the scope of their duties or persons exempted under subparagraph (A) of paragraph (1) of subdivision (a) of Section 12027. This subdivision shall not apply to a duly appointed peace officer as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2, a full-time paid peace officer of another state or the federal government who is carrying out official duties while in California, any person summoned by any of these officers to assist in making an arrest or preserving the peace while he or she is actually engaged in assisting the officer, a member of the military forces of this state or of the United States who is engaged in the performance of his or her duties, a person holding a valid license to carry the firearm pursuant to Article 3 (commencing with Section 12050) of Chapter 1 of Title 2 of Part 4, or an armored vehicle guard, who is engaged in the performance of his or her duties, as defined in subdivision (e) of Section 7521 of the

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Business and Professions Code. A violation of this subdivision is punishable by imprisonment in a county jail for a term not to exceed six months, a fine not to exceed one thousand dollars (\$1,000), or both that imprisonment and fine.

- (d) (1) A violation of paragraph (1) of subdivision (b) is justifiable where all of the following conditions are met:
- (A) The person found the ammunition or reloaded ammunition or took the ammunition or reloaded ammunition from a person who was committing a crime against him or her.
- (B) The person possessed the ammunition or reloaded ammunition no longer than was necessary to deliver or transport the ammunition or reloaded ammunition to a law enforcement agency for that agency's disposition according to law.
- (C) The person is prohibited from possessing any ammunition or reloaded ammunition solely because that person is prohibited from owning or possessing a firearm only by virtue of Section 12021.
- (2) Upon the trial for violating paragraph (1) of subdivision (b), the trier of fact shall determine whether the defendant is subject to the exemption created by this subdivision.
- (3) The defendant has the burden of proving by a preponderance of the evidence that he or she is subject to the exemption provided by this subdivision.
  - SEC. 3. Section 12326 is added to the Penal Code, to read:
- 12326. (a) The term "vendor," as used in this section, means any person who is engaged, in compliance with local, state, and federal law, in the retail sale of firearm ammunition, including any dealer.
- (b) The term "firearm ammunition" as used in this section, means assembled live ammunition for use in a firearm, as "firearm" is defined in subdivision (b) of Section 12001.
- (c) No vendor shall sell or otherwise transfer ownership of any ammunition without at the time of purchase recording the following information on a form to be prescribed by the Department of Justice:
  - (1) The date of the transaction.
  - (2) The name, address, and date of birth of the transferee.
- (3) The transferee's driver's license or other identification number and the state in which it was issued.
  - (4) The brand, type, and amount of ammunition transferred.

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(5) The transferee's signature.

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- (6) The name of the salesperson who processed the transaction.
- (d) The vendor shall also at the time of purchase or transfer obtain the right thumbprint of the purchaser or transferee on the above form.
- (e) (1) The records required by this section shall be maintained on the premises of the vendor for a period of not less than two years from the date of the recorded transfer.
- (2) The records shall be subject to inspection at any time during normal business hours by any peace officer employed by a sheriff , city police department, or district attorney as provided in subdivision (a) of Section 830.1, or employed by the Department of Justice, as provided in subdivision (b) of Section 830.1, provided the officer is conducting an investigation where access to those records is or may be relevant to that investigation, is seeking information about persons prohibited from owning a firearm or ammunition, or is engaged in ensuring compliance with the Dangerous Weapons Control Law, Chapter 1 (commencing with Section 12000) of Title 2 of Part 4, or any other laws pertaining to firearms. The records shall also be subject to inspection at any time during normal business hours by any other employee of the Department of Justice, provided that employee is conducting an investigation where access to those records is or may be relevant to that investigation, is seeking information about persons prohibited from owning a firearm or ammunition, or is engaged in ensuring compliance with the Dangerous Weapons Control Law, Chapter 1 (commencing with Section 12000) of Title 2 of Part 4, or any other laws pertaining to firearms.
- (f) (1) No person shall knowingly make a false entry in, fail to make a required entry in, or fail to obtain the required thumbprint, or fail to maintain in the required manner records prepared in accordance herewith. If the right thumbprint is not available, then the vendor shall have the purchaser or transferee use his or her left thumb, or any available finger, and shall so indicate on the form. If the purchaser or transferee is physically unable to provide a thumbprint or fingerprint, the vendor shall so indicate on the form.
- (2) No person shall refuse to permit a person authorized under paragraph (2) of subdivision (e) to examine any record prepared in accordance with this section during any inspection conducted

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pursuant to this section, or refuse to permit the use of any record or information therefrom by those persons.

- (g) A violation of this section shall constitute a misdemeanor.
- (h) This section shall not apply to vendor wholesale sales or wholesale transfers. This section shall not apply to sales or transfers to a peace officer as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2. This section shall not apply to sales or transfers to persons licensed to carry a concealed handgun pursuant to Section 12050.
- SEC. 4. Section 1.5 of this bill incorporates amendments to Section 12071 of the Penal Code proposed by both this bill and SB 1140. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2005, (2) each bill amends Section 12071 of the Penal Code, and (3) this bill is enacted after SB 1140, in which case Section 1 of this bill shall not become operative.
- SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.